



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

June 20, 2007

Timothy J. Morgan, Treasurer  
Republican National Committee  
310 First Street SE  
Washington, DC 20003

**Response Due Date:**  
**July 23, 2007**

Identification Number: C00003418

Reference: February Monthly Report (1/01/07 – 1/31/07)

Dear Mr. Morgan:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** Additional information is needed for the following 3 items:

1. Schedule A supporting Line 15 of your report discloses one or more receipts totaling \$16,595 for "Asset Sale". Please amend your report to clarify the nature of these receipts.
2. Schedule A supporting Line 15 of your report discloses a payment from "Atlantic Technology Group". It appears this receipt was for goods and/or services provided by your committee. Pursuant to Advisory Opinion 1979-18, the sale/purchase price paid to a political committee could involve the receipt of a contribution from a purchaser if the purchase price exceeds the "usual and normal charge". The term "usual and normal charge" for goods is defined as the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution. Examples of goods and services include equipment, supplies, personnel, advertising services, membership lists, and mailing lists. 11 CFR §100.52(d)(1) and (2)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided and explain the steps your committee took in determining the amount charged. If your committee provided the goods and/or services at more than the usual and normal charge, the difference between the two is considered to be an in-

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kind contribution received by your committee from a corporation and is prohibited subject to the limits set forth at 2 U.S.C. §441b(a)

3. Schedule A supporting Line 15 of your report discloses a payment(s) from an individual(s) for apparent goods and/or services provided by your committee. Pursuant to Advisory Opinion 1979-18, the sale/purchase price paid to a political committee could involve the receipt of a contribution from a purchaser if the purchase price exceeds the "usual and normal charge". The term "usual and normal charge" for goods is defined as the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution. Examples of goods and services include equipment, supplies, personnel, advertising services, membership lists, and mailing lists. 11 CFR §100.52(d)(1)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided and explain the steps your committee took in determining the amount charged. If your committee provided the goods and/or services at more than the usual and normal charge, the difference between the two is considered to be a contribution(s) received by your committee from an individual and may be prohibited subject to the limits set forth at 2 U.S.C. §§441a and 441a(f) or 11 CFR §110.1(d).

**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses must be received on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1398.

Sincerely,

  
Michael H. Hartsock

Senior Campaign Finance Analyst  
Reports Analysis Division

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